International and Intergovernmental Relations

BUSINESS PLAN 2005-08

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2005 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 21, 2005 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

[Original Signed]

Ed Stelmach, *Minister of International and Intergovernmental Relations*
March 23, 2005

THE MINISTRY

The Ministry of International and Intergovernmental Relations consists of three main sections: Canadian Intergovernmental Relations, International Relations, and Trade Policy. Collectively, these sections seek to ensure that Alberta's relations with other governments in Canada and abroad are coordinated and consistent with the government's priorities. The Ministry is a single entity and does not have any agencies or boards as part of its operations.

VISION

A strong Alberta, active in an open world and in a prosperous, united Canada.

MISSION

To lead the development of government-wide strategies and policies for Alberta's relations with international governments and organizations and with federal, provincial and territorial governments in Canada.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

The Strategic Business Plan sets the course for the Government of Alberta for the next 20 years. International and Intergovernmental Relations directly contributes to the third pillar of this plan, Competing in a Global Marketplace, by:

- ensuring Albertans are treated fairly within Confederation. This includes participating in First Ministers' Meetings, Council of the Federation meetings, and various sectoral ministerial meetings that affect provincial jurisdiction (referenced in strategies listed under ministry Goal 1);
- establishing an Alberta office in Washington, D.C. to ensure Alberta's interests are promoted within the United States (referenced in strategies listed under ministry Goal 2);
- examining the feasibility of a customs union with the United States (U.S.), which could strengthen Canada's overall trade relationship with the U.S. (referenced in strategies listed under ministry Goal 3).

Of the Government of Alberta medium-term strategies, the Ministry contributes to the "Alberta in a Strong Canada Initiative," working to enhance Alberta's role in Canada and to achieve constructive and meaningful change through: reshaping the institutions that protect regional interests; ensuring provincial input on national decisions; safeguarding provincial constitutional authority; and strengthening intergovernmental collaboration.

All of the Ministry's goals and strategies contribute directly to Goal 9 of the Government Business Plan: Alberta will have strong and effective partnerships with local, provincial, national and international governments.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

- Continuing initiatives within new intergovernmental institutions and frameworks, such as the Council of the Federation and the Alberta-British Columbia Protocol of Cooperation, along with annual First Ministers' Meetings and the Western Premiers' Conference, will provide opportunities for Alberta to work collaboratively with other provinces to influence the national agenda.
- Alberta will continue to pursue opportunities and rise to the challenges in representing Albertans' priorities and expectations with the federal government.
- Alberta's new office in Washington, D.C. will be valuable in advancing Alberta's interest by enhancing relations with U.S. federal decision-makers and legislators.
- Alberta will continue to manage implications of a dynamic international environment (e.g., border closures due to mad cow disease; rapid growth of Chinese investment worldwide).
- Premier's international missions will create opportunities to build alliances with key decision-makers, open new markets for Alberta, and attract investment.
- The World Trade Organization Ministerial Conference in Hong Kong in December 2005 could represent real progress toward the conclusion of the current round of World Trade Organization negotiations, including in areas of priority to Alberta such as agriculture, and disciplines on trade remedies and services.

105-04948/

- Nation-wide progress on internal trade matters will depend on provincial commitments and the willingness of the federal government to complete implementation of Agreement on Internal Trade improvements through the Council of the Federation process. The internal trade framework agreement between Alberta and British Columbia represents an opportunity to advance Alberta's domestic trade priorities on a bilateral basis.
- A conclusion to the softwood lumber dispute with the U.S. will be affected by the outcome of ongoing North American Free Trade Agreement and World Trade Organization litigation, the willingness of provinces to consider changes to their forest management practices, and U.S. responses to those changes.

STRATEGIC PRIORITIES 2005-08

Through the review of factors that may significantly affect achievement of ministry goals, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the ministry.

1.	**Canadian Intergovernmental Relations**	Successfully conducting, coordinating, and participating in intergovernmental negotiations and discussions to advance Alberta's interests in Confederation.
	Linkage: Goal 1	Important negotiations and discussions will include such issues as the continued operation of the Council of the Federation, health care, child care, climate change, municipal issues, follow-up to the Report of the MLA Committee on Strengthening Alberta's Role in Confederation, and fiscal arrangements. Alberta will be Chair of the Council of the Federation and the Western Premiers' Conference in 2005.
2.	**International Relations**	Successfully promoting Alberta by strengthening international relations.
	Linkage: Goal 2	Major initiatives will include: • developing networks of influence for the Washington, D.C. office; • influencing the federal government toward more positive Canada/U.S. relations; and • enhancing bilateral relations (Premier's missions; regional U.S. bodies; 25th Anniversary of Alberta/Hokkaido, Japan twinning; Alberta/Ukraine; Centennial program).
3.	**Trade Policy – International**	Successfully participating in international negotiations to advance Alberta's interests with important trading partners (such as World Trade Organization negotiations, United States).
	Linkage: Goal 3	Expanded trade liberalization and foreign market access for Albertans through international trade and investment agreements. Under the auspices of the Council of the Federation, developing a federal/provincial/territorial agreement on the provincial/territorial role in international negotiations, agreements and forums.
4.	**Trade Policy – Domestic**	Building upon and enhancing the benefits from the Agreement on Internal Trade with like-minded Canadian jurisdictions.
	Linkage: Goal 3	Expanded Canadian internal trade liberalization promoting the free flow of goods, services, capital and labour across Canada, through bilateral discussions and through the Council of the Federation internal trade initiative.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Canadian Intergovernmental Relations

GOAL ONE — Promoting the interests of, and securing benefits for, Alberta as an equal partner in a strengthened, united Canada

What it means

To achieve this goal, the Ministry promotes: effective participation by Alberta in the Canadian federation; a federal system that better serves the needs of Albertans and Canadians; and effective leadership by Alberta that supports a strong, united and secure Canada.

Strategies

1.1 Work with Alberta ministries to develop coordinated and consistent strategies that advance Alberta's interests in intergovernmental issues and processes, and ensure that Alberta's priorities are addressed at intergovernmental meetings of First Ministers, Ministers and officials.

1.2 Provide policy analysis and strategies, and coordinate input from other Alberta ministries, for Alberta's participation in annual First Ministers' Meetings, meetings of the Council of the Federation, the Western Premiers' Conference, joint meetings of the Alberta and British Columbia Cabinets, and Ministerial meetings.

1.3 Alberta will Chair the Western Premiers' Conference in May 2005 and the Council of the Federation meeting in August 2005.

1.4 Assist Alberta ministries in the development of intergovernmental agreements, and review the agreements to ensure that they reflect Alberta's intergovernmental objectives and priorities.

1.5 Promote both interprovincial and federal/provincial solutions to improve the efficiency and effectiveness of the federation through the reduction of overlap and duplication between governments, the reform of institutions (e.g., the Senate) and the reform of federal/provincial financial arrangements.

1.6 Promote federal/provincial solutions to redesign federal/provincial financial arrangements including the Canada Health Transfer, the Canada Social Transfer, Equalization and cost-sharing arrangements.

1.7 Develop strategies and policy options, in conjunction with Alberta ministries, with respect to key intergovernmental policy issues such as health care, child care, municipal issues, climate change, Aboriginal issues, education, social services, and follow-up to the Report of the MLA Committee on Strengthening Alberta's Role in Confederation.

1.8 Develop policy recommendations and strategies on national unity and other related issues as they emerge.

1.9 Work with the federal government, other provinces, the private sector and other key stakeholders to update and strengthen coordinated policy responses to issues relating to the security of the province and people of Alberta.

Performance Measures	Last Actual (2004-05)	Target 2005-06	Target 2006-07	Target 2007-08
1.a Client satisfaction with services provided by Canadian Intergovernmental Relations. This survey is conducted every two years in December/January.	4.2	n/a	4.0 out of 5.0	n/a
1.b Reports/narrative records from First Ministers or Premiers intergovernmental meetings, which may include communiqués or status reports, are reported in the Annual Report.	100%	100%	100%	100%

Core Business Two: International Relations

GOAL TWO

Promoting the interests of, and securing benefits for, Alberta from strengthened international relations

What it means

To achieve this goal, the Ministry works across government to: facilitate the two-way flow of goods, services, people and investment between Alberta and the United States; provide a strategic approach to Alberta's international relations that effectively promotes Alberta's interests and priorities to foreign government decision-makers; and contribute to international development in the area of governance.

Strategies

2.1 Develop networks of influence for the new Washington, D.C. office.

2.2 Refocus Alberta's U.S. strategy toward a more harmonized regulatory system (e.g., improved border practices, North American energy market).

2.3 Influence the federal government toward more positive Canada/U.S. relations.

2.4 Build and maintain alliances with key regional U.S. decision-makers and organizations (e.g., Alaska, Montana, Idaho, California).

2.5 Work with other ministries and the private sector to enhance international understanding of Alberta as a secure and reliable supplier of energy.

2.6 Provide leadership and coordination for missions by the Premier and the Minister; advise on other ministerial missions.

2.7 Provide strategic and policy advice to ministries and stakeholders under Alberta's Framework for International Strategies, for key countries (e.g., China, Mexico, Japan, Germany).

2.8 Provide leadership on initiatives with Alberta's 13 sister provinces (twinnings).

2.9 Develop strategically-focused programs that showcase Alberta's strengths to foreign visitors to Alberta.

2.10 Provide information and advice to clients and partners (Alberta offices, Canadian posts, foreign embassies and consulates) so they can help profile Alberta.

2.11 Support the work of the Advisory Council on Alberta-Ukraine Relations in enhancing bilateral relations with Ukraine.

2.12 Advise Alberta ministries on the development of international government-to-government agreements that reflect Alberta's international objectives and priorities.

2.13 Coordinate Alberta's input to federal foreign policy development.

2.14 Design, implement and manage governance projects, particularly in priority countries, working with ministries, educational institutions and private sector partners.

2.15 Coordinate translation and interpretation services for all ministries.

Performance Measures	Last Actual (2004-05)	Target 2005-06	Target 2006-07	Target 2007-08
2.a Client satisfaction with services provided by International Relations. This survey is conducted every two years in December/January	4.5	n/a	4.0 out of 5.0	n/a
2.b Significant events/opportunities that advance Alberta's interests through the Washington, D.C. office	n/a	75	75	75
2.c International mission expenses of the Premier and Minister are posted on the Ministry's website within 2 months of the mission's conclusion	n/a	100%	100%	100%
2.d Reports/narrative records from major international meetings and missions, which may include reports from Premier's international missions, reports from transboundary meetings, and newsletters produced by the International Governance Office and the Advisory Council on Alberta-Ukraine Relations, are reported in the Annual Report	100%	100%	100%	100%

Core Business Three: Trade Policy

GOAL THREE

Promoting the interests of, and securing benefits for, Alberta from greater trade and investment liberalization, internationally and domestically

What it means The Ministry strives to expand trade liberalization and foreign market access for Albertans through international trade and investment agreements, and to expand Canadian internal trade liberalization to promote the free flow of goods, services, capital and labour across Canada.

Strategies

Internationally:

3.1 Remove or reduce barriers to trade and investment through direct negotiation. Participate with the federal government in negotiations to ensure Alberta's objectives are addressed.

3.2 Pursuant to the direction of the Council of the Federation, develop a formal federal/provincial agreement that stipulates full provincial participation in Canada's negotiation of agreements affecting provincial jurisdiction or interests.

3.3 Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.

3.4 Manage government-wide implementation of the North American Free Trade Agreement (NAFTA), the World Trade Organization Agreement and other agreements. Anticipate and prevent disputes.

3.5 Coordinate Alberta's approach to deeper integration of North American trade policies (e.g., "NAFTA-plus", streamlined NAFTA rules of origin, customs area).

3.6 Coordinate Alberta's participation in World Trade Organization negotiations on issues involving provincial jurisdiction (e.g., environment, labour, agriculture, competition/business regulation, and services) and in other regional and multilateral negotiations (e.g., Free Trade Area of the Americas, Asia-Pacific Economic Cooperation).

3.7 Manage disputes and defend Alberta's interests under North American Free Trade Agreement, World Trade Organization and other agreements.

3.8 Work with other Alberta ministries to implement the trade policy component of Alberta's international strategy in a targeted, coherent manner.

Domestically:

3.9 Remove or reduce barriers to internal trade, investment and labour mobility through direct negotiation with the federal government and other provinces and territories.

3.10 Consult and work with private and public sector organizations to promote and pursue the benefits of free trade.

3.11 Coordinate Alberta's participation in the Agreement on Internal Trade and other bilateral trade initiatives.

3.12 Manage the government-wide implementation of the Agreement on Internal Trade. Anticipate and prevent disputes.

3.13 Manage disputes and defend Alberta's interests in the Agreement on Internal Trade.

3.14 Work with other Canadian governments to enhance domestic trade through bilateral and multilateral negotiations and other regional agreements, including through the Council of the Federation internal trade initiatives.

Performance Measures	Last Actual (2004-05)	Target 2005-06	Target 2006-07	Target 2007-08
3.a Client satisfaction with services provided by Trade Policy. This survey is conducted every two years in December/January.	4.3	n/a	4.0 out of 5.0	n/a
3.b Reports/narrative records from major trade policy meetings, which may include reports from international and domestic meetings of Ministers responsible for trade in which Alberta participated, are reported in the Annual Report.	100%	100%	100%	100%

Ministry Support Services

The Ministry's core businesses are enabled by an infrastructure of essential services that support staff and business processes. Support services include information technology, information management, finance, human resources, communications and administrative services. In some cases, staff providing these services are employed by other ministries or entities, but work under arrangements to provide services to the Ministry. Some of the support services activities undertaken include:

- Provide reliable, secure information technology service that is aligned with government-wide standards and architectural direction, and meets the business needs of the Ministry.
- Provide reliable and timely access to Ministry records.
- Provide accurate and timely financial information to meet the needs of the Ministry and reporting requirements of legislation, as well as ensuring proper controls are in place to safeguard assets.
- Provide comprehensive human resource programs to ensure the availability of people with the skills the Ministry requires to achieve current and future organizational business plan goals.
- Provide quality and timely communication services that meet the needs of the Ministry.
- Maintain, update and exercise a business resumption plan to ensure timely continuation of essential business activities and functions in the event of a major disruption affecting Ministry operations.

EXPENSE BY CORE BUSINESS
(thousands of dollars)

	Comparable 2003-04 Actual	Comparable 2004-05 Budget	Comparable 2004-05 Forecast	2005-06 Estimates	2006-07 Target	2007-08 Target
Canadian Intergovernmental Relations	2,285	3,530	3,478	4,488	3,580	3,580
International Relations	2,614	3,549	3,497	3,977	3,979	3,979
Trade Policy	1,583	1,420	1,394	1,589	1,590	1,590
MINISTRY EXPENSE	6,482	8,499	8,369	10,054	9,149	9,149

MINISTRY STATEMENT OF OPERATIONS
(thousands of dollars)

	Comparable 2003-04 Actual	Comparable 2004-05 Budget	Comparable 2004-05 Forecast	2005-06 Estimates	2006-07 Target	2007-08 Target
REVENUE						
Other Revenue	17	-	5	-	-	-
MINISTRY REVENUE	17	-	5	-	-	-
EXPENSE						
Program						
International and Intergovernmental Relations	6,461	8,499	8,369	10,054	9,149	9,149
Valuation Adjustments and Other Provisions	21	-	-	-	-	-
MINISTRY EXPENSE	6,482	8,499	8,369	10,054	9,149	9,149
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
NET OPERATING RESULT	(6,465)	(8,499)	(8,364)	(10,054)	(9,149)	(9,149)

CONSOLIDATED NET OPERATING RESULT
(thousands of dollars)

	Comparable 2003-04 Actual	Comparable 2004-05 Budget	Comparable 2004-05 Forecast	2005-06 Estimates	2006-07 Target	2007-08 Target
Ministry Revenue	17	-	5	-	-	-
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Revenue	17	-	5	-	-	-
Ministry Program Expense	6,482	8,499	8,369	10,054	9,149	9,149
Inter-ministry consolidation adjustments	-	-	-	-	-	-
Consolidated Program Expense	**6,482**	**8,499**	**8,369**	**10,054**	**9,149**	**9,149**
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(6,465)	(8,499)	(8,364)	(10,054)	(9,149)	(9,149)